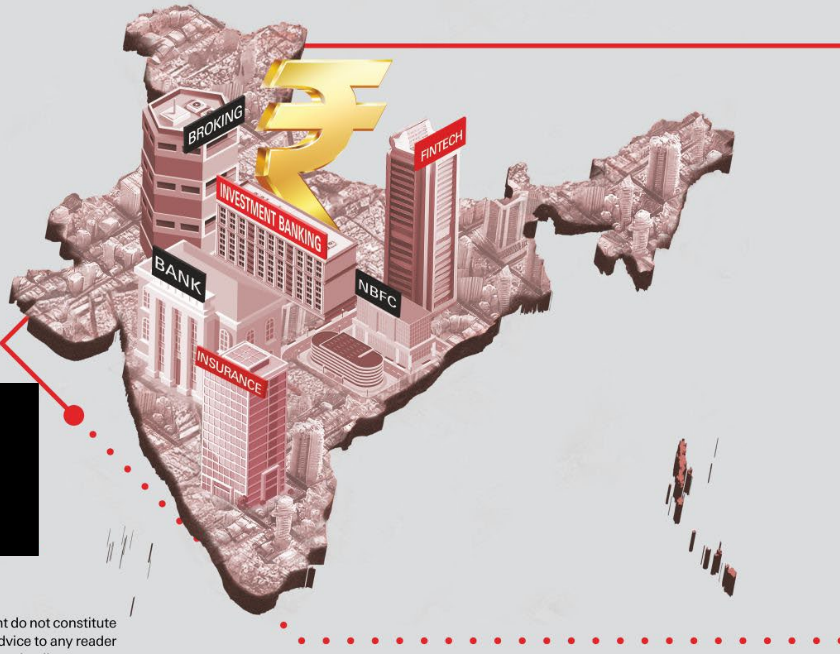
HSBC Mutual Fund

# Invest in the sector, that drives every other sector in India.




## Product Note
## HSBC Financial Services Fund

(An open-ended equity scheme investing in financial services sector)

**Source of map: www.surveyofindia.gov.in**

**Map of India is used for illustrative purpose only and is not a political map of India.**

Note: The above information is for illustrative purposes only. The sector(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. Please refer Scheme Information Document (SID) for more details.

| Fund Category | Fund Manager | Benchmark [1] | Inception Date* | AUM& |
|---|---|---|---|---|
| Sectoral Fund | Gautam Bhupal, Harsh Shah, Mayank Chaturvedi# | BSE Financial Services Index TRI | 27 Feb 2025 | Rs. 715.60 Cr |

| Portfolio | % to net assets |
|---|---|
| HDFC Bank Limited | 7.50% |
| ICICI Bank Limited | 6.52% |
| Nippon Life India Asset Management Limited | 6.24% |
| State Bank of India | 5.11% |
| Kotak Mahindra Bank Limited | 4.21% |
| Multi Commodity Exchange of India Limited | 3.96% |
| Axis Bank Limited | 3.94% |
| Shriram Finance Limited | 3.81% |
| PB Fintech Limited | 3.61% |
| HDFC Asset Management Company Limited | 3.59% |

| Industry - Allocation | % to net assets |
|---|---|
| Banks | 33.26% |
| Capital Markets | 24.63% |
| Finance | 22.27% |
| Reverse Repos/TREPS | 12.77% |
| Financial Technology (Fintech) | 3.61% |
| Insurance | 2.67% |
| Commercial Services & Supplies | 1.12% |
| Net Current Assets | -0.32% |

### Investment Objective

The investment objective of the scheme is to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related securities of companies engaged in financial services businesses. There is no assurance that the investment objective of the scheme will be achieved.

**Exit Load:** If the units redeemed or switched out are upto 10% of the units purchased or switched in (“the limit”) within 1 year from the date of allotment – Nil, If units redeemed or switched out are over and above the limit within 1 year from the date of allotment – 1%, If units are redeemed or switched out on or after 1 year from the date of allotment – Nil, A switch-out or a withdrawal under SWP may also attract an Exit Load like any Redemption. No Exit load will be chargeable in case of switches made between different options of the Scheme. No Exit load will be chargeable in case of Units allotted on account of IDCW reinvestments, if any. Exit load is not applicable for Segregated Portfolio.
**Month End Total Expenses Ratios (Annualized)[2]** – Regular[3]: 2.36%, Direct: 1.00%

* Since inception - 27 Feb 25

[1] As per clause 1.9 of the SEBI Master Circular dated June 27, 2024, on ‘Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes’ has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark effective from 01 December 2021.

[2] TER Annualized TER including GST on Investment Management Fees

[3] Continuing plans. # Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund. w.e.f. October 01, 2025.

[4] For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library#&accordion1446811090=4.

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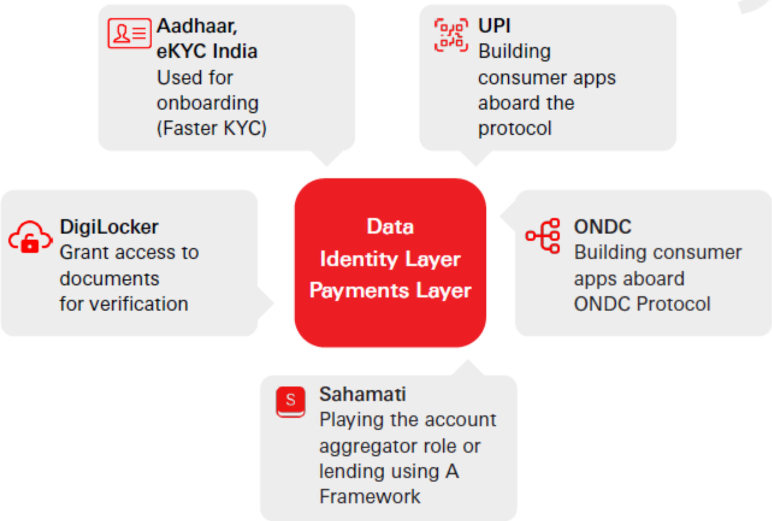
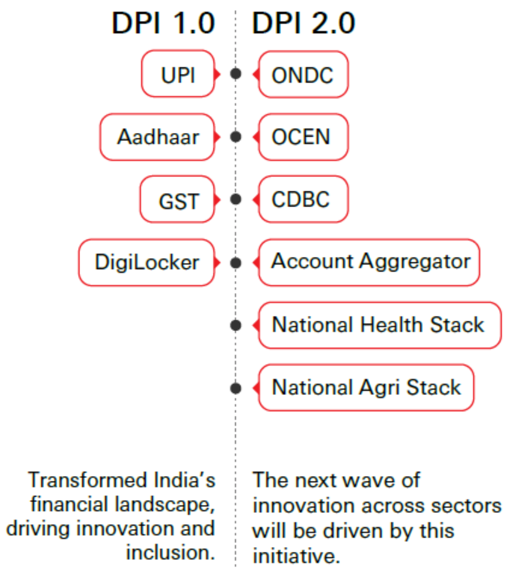
Source – HSBC Mutual Fund, Data as of 30 September 2025. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

## Government initiatives have accelerated the pace of growth in the sector

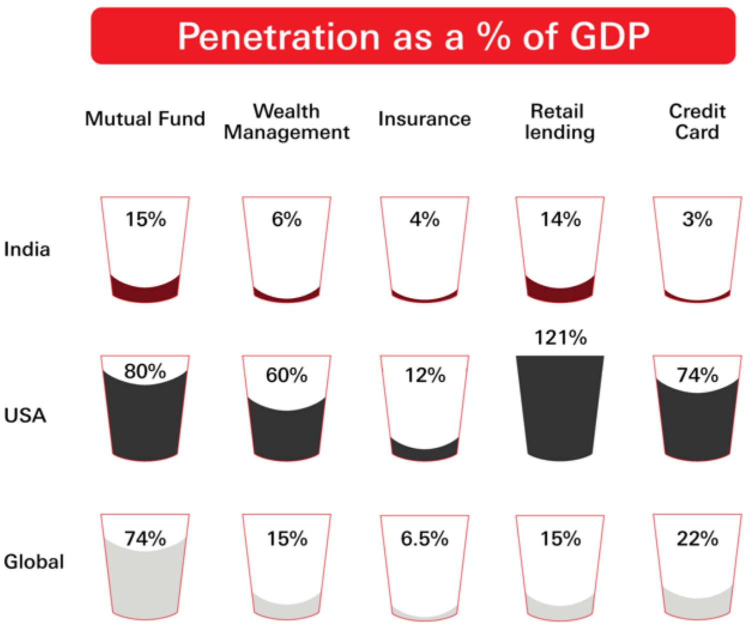
> **It took us 6 years to get to our first 60k customers, each of whom had to sign and courier 40+ pages of forms and wait for days. We got to 1 crore customers in the next 6 years, entirely eliminating paper in the process. This was enabled by eKYC, digital signatures (esigns) and digital documents (Digilocker)"**
>
> *– Founder & CEO at leading online brokerage firm*




Sources: Beams Internal analysis, HSBC Mutual Fund.. The above information is for illustrative purposes only. UPI - Unified Payments Interface, ONDC - Open Network for Digital Commerce, OCEN - Open Credit Enablement Network, CDBC - Central bank digital currency, DPI – Digital Public Infrastructure

## Financial services products still have low penetration in India



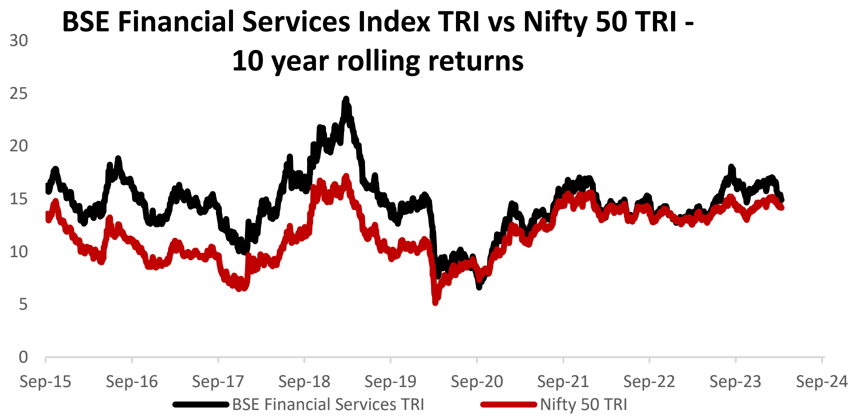

**India stack**

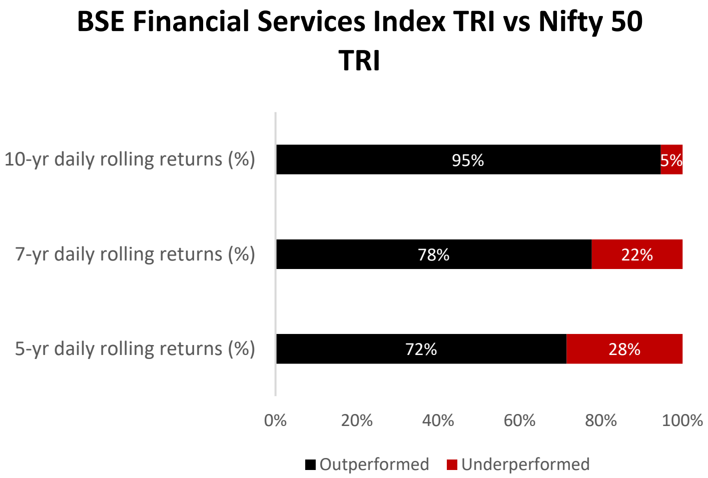
| | |
|---|---|
| Population | 144 crores |
| Aadhar Card Holders | 138 crores |
| Mobile Subscribers | 115 crores |
| Voters Total Enrolled | 97 crores |
| Internet Users | 89 crores |
| Smartphone Users | 70 crores |
| OTT Subscribers | 55 crores |
| Social Media Users | 46 crores |
| UPI Users | 35 crores |
| E-Commerce Users | 35 crores |
| BHIM Payment Users | 27 crores |
| E-Sanjeevani Patients served | 15 crores |
| Health Insurance Users | 6 crores |
| Mutual Fund Investors* | 5.2 crores |
| NSE Active Clients# | 5 crores |

Source: Beams Fintech Internal analysis, RBI report, AMFI, NSE, SEBI, HSBC Mutual Fund. # Data as at December 2024, * Data as at November 2024 as latest available. The above details provided basis on sourced information only. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

## Financial Services has consistently outperformed across periods

BSE Financial Services TR Index has outperformed 95% of the times to the broader Nifty 50 TR Index




Investing for the long-term can deliver returns for Financial Services sector

Source: MFI Explorer, HSBC Mutual Fund. The above details provided basis on sourced information only.

## HSBC Financial Services Fund – Coming together of two powers


Source: HSBC Mutual Fund, For illustration purposes only. High RoE ideally indicates good quality companies which require minimum capital to grow their business. The sector(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns. RoE – Return on Equity

# Our portfolio construction approach

| | Boring compounders | Growth accelerators | Innovators/ Disruptors |
|---|---|---|---|
| Characteristics | Leaders in their categories which have seen multiple cycles, strong balance sheets | Gaining market share with solid execution, typically are challengers and not market leaders in their categories | New age companies with innovative business models or those that disrupt the traditional business models |
| Style | Quality, Size | Quality, Growth | Growth, Volatility |
| Risk | Low risk | Moderate risk | Moderate to High risk (Risk mitigated through stock diversification) |
| Market caps | Large Caps | Mid and Small Caps | Large, Mid and Small Caps |

- No benchmark hugging
- Weight of non-lending higher than benchmark
- Higher mix of Mid and Small Cap vs benchmark

Source: HSBC Mutual Fund. The above details provided basis on sourced information only. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

| Fund Manager | Benchmark |
|---|---|
| Gautam Bhupal | As per AMFI Tier 1 benchmark– BSE Financial Services Index - Total Return Index (TRI) |

**Fund Manager - Gautam Bhupal Effective 27 Feb 2025. Total Schemes Managed – 7; Fund Manager - Harsh Shah Effective 01 Apr 2025. Total Schemes Managed – 1; Fund Manager - Mayank Chaturvedi Effective 01 Oct 2025. Total Schemes Managed – 20**

| Fund / Benchmark (Value of Rs 10,000 invested) | 6 Months | | Since Inception | | |
|---|---|---|---|---|---|
| | Amount in Rs | Returns % | Amount in Rs | Returns % | |
| HSBC Financial Services Fund - Regular Plan | 10746 | 15.17 | 11228 | 21.73 | 27-Feb-25 |
| Scheme Benchmark (BSE Financial Services Index TRI) | 10747 | 15.18 | 11450 | 25.85 | |
| Additional Benchmark (Nifty 50 TRI) | 10539 | 10.85 | 10977 | 17.14 | |
| HSBC Financial Services Fund - Direct Plan | 10817 | 16.67 | 11315 | 23.33 | 27-Feb-25 |
| Scheme Benchmark (BSE Financial Services Index TRI) | 10747 | 15.18 | 11450 | 25.85 | |
| Additional Benchmark (Nifty 50 TRI) | 10539 | 10.85 | 10977 | 17.14 | |

**Past performance may or may not be sustained in future and is not a guarantee of any future returns.** The performance details provided herein are of Regular as well as Direct Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of September 2025 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan.
As per clause 5.9.1 of the SEBI Master Circular dated June 27, 2024, the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.

| SIP Performance - HSBC Financial Services Fund– Regular Plan* | | | |
|---|---|---|---|
| Scheme Name & Benchmarks | 6 Months | Since Inception | Inception Date: 27-Feb-25 |
| Total amount invested (₹) | 60000 | 70000 | |
| Market Value as on September 30, 2025 (₹) | 60,988 | 72,256 | |
| Scheme Returns (%) | 5.80 | 10.05 | |
| BSE Financial Services Index TRI - Scheme Benchmark (₹) | 60,913 | 72,570 | |
| BSE Financial Services Index TRI- Scheme Benchmark Returns (%) | 5.35 | 11.49 | |
| Nifty 50 TRI - Additional Benchmark (₹) | 60,624 | 71,866 | |
| Nifty 50 TRI - Additional Benchmark Returns (%) | 3.64 | 8.27 | |

| SIP Performance - HSBC Financial Services Fund– Direct Plan* | | | |
|---|---|---|---|
| Scheme Name & Benchmarks | 6 Months | Since Inception | Inception Date: 27-Feb-25 |
| Total amount invested (₹) | 60000 | 70000 | |
| Market Value as on September 30, 2025 (₹) | 61,233 | 72,593 | |
| Scheme Returns (%) | 7.28 | 11.60 | |
| BSE Financial Services Index TRI - Scheme Benchmark (₹) | 60,913 | 72,570 | |
| BSE Financial Services Index TRI- Scheme Benchmark Returns (%) | 5.35 | 11.49 | |
| Nifty 50 TRI - Additional Benchmark (₹) | 60,624 | 71,866 | |
| Nifty 50 TRI - Additional Benchmark Returns (%) | 3.64 | 8.27 | |

**Past performance may or may not be sustained in future and is not a guarantee of any future returns.** For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.
Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund. w.e.f. October 01, 2025.
Source: HSBC Mutual Fund, data as on 30 September 2025
**Click here to check other funds performance managed by the Fund Manager**

| Scheme name and Type of scheme | Scheme Risk-o-meter | Benchmark Risk-o-meter |
|---|---|---|
| **HSBC Financial Services Fund**<br>**(**An open-ended equity scheme investing in financial services sector)<br><br>**This product is suitable for investors who are seeking*:**<br>• To create wealth over long term<br>• Investment predominantly in equity and equity related securities of companies engaged in financial services businesses | <br>The risk of the scheme is Very High Risk | **As per AMFI Tier I Benchmark i.e. Benchmark Index: BSE Financial Services TRI**<br><br>The risk of the benchmark is Very High Risk |

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters:** Riskometer is as on 30 August 2025, Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

**Past performance may or may not be sustained in future and is not a guarantee of any future returns.** Source: HSBC Mutual Fund, data as on 30 September 2025
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